

STATE OF NEW HAMPSHIRE

LIQUOR COMMISSION
50 STORRS STREET
CONCORD, NEW HAMPSHIRE 03301-6398

ADDENDUM # 5 TO RFP INVITATION # 2014-033

DATE OF BID OPENING: November 5, 2013

TIME OF BID OPENING: 2:30 ET

FOR: New Hampshire State Liquor Commission Next Generation Systems RFP

RFP SECTION	CHANGE DESCRIPTION		
Terms and Definitions	Add the following definition: Exel Incorporated – Exel Incorporated is a privately owned warehousing company located in Bow New Hampshire. They are the currently contracted warehousing provider for the storage of alcoholic beverages in the State		
Section 6.22	Add the following language to Section 6.22 The requirement escrow code may be subject to consideration, if the proposed applications are not proprietary.		
	Add the following requirement:		
	F1.12	The system must provide central access to data for financial reporting purposes even if the data resides in external systems (including, but not limited to, the State's financial system NH FIRST, the State's human resource system GHRS, the point-of-sale system, the Exel warehouse inventory management system , MAPPER, etc.)	Mandatory
Attachment C2 Requirements	Delete the following requirement:		
	T8.d1	The selected Vendor will be responsible for providing a Finance Agreement acceptable to the State that is to include all Hardware, software, installation, warranty, and maintenance and support Services amortized over 5 years.	Mandatory
Attachment I 1.2 Project Overview	Replace Law Warehouses with Exel Warehouse throughout		
Attachment I 2.1.4 Purchasing	Amend the following language in Attachment I – 2.1.4 Purchasing to the following: The Commission's purchasing process has two core areas: the warehouse and individual stores. The Commission has two warehouses. One is the Exel Warehouse , a privately, non-state run operation in Nashua. The other is the Concord Warehouse, a state-run warehouse in Concord. Both warehouses are similar in that they operate on the "bailment" system and the brokers are responsible for maintaining 30 days of inventory at each warehouse. The Concord, NH bailment warehouse is state-run and has a different process than the non-state run Exel w arehouse in Nashua, NH.		
Attachment I 2.2 Distribution, ...	Amend the following language in Attachment I – 2.2 Distribution to the following: This business area is responsible for warehousing wine and spirits for the Commission and distribution of the products to the retail stores. The current systems in place at the Concord warehouse are in-house developed systems that have been tailored over the years to meet the needs of the Commission. The Exel warehouse is not State-run, and the		

	warehouse management systems in place there are not described in detail in this report.
Attachment I 2.2.2 Receiving	<p>Amend the following language in Attachment I – 2.2.2 Receiving to the following:</p> <p>This business area is responsible for warehousing wine and spirits for the Commission and distribution of the products to the retail stores. The current systems in place at the Concord warehouse are in-house developed systems that have been tailored over the years to meet the needs of the Commission. The Exel warehouse is not State-run, and the warehouse management systems in place there are not described in detail in this report.</p>
Attachment I 2.2.4 Inventory Management	<p>Amend the following language in Attachment I – 2.2.4 Inventory Management to the following:</p> <p>The current inventory management process at the Concord bailment warehouse has three components: full inventory counts, weekly cycle counts, and daily reports of Exel warehouse sub-pack levels on inventory originating at the Concord warehouse.</p> <p>Full inventory counts occur twice per year at the Concord warehouse and once per year at the Exel bailment warehouse which is neither owned nor run by the state. In January, as time permits, an inventory count is performed at the Concord warehouse. The January inventory count is timed to coincide with the quarterly inventory counts that occur at each store location.</p> <p>The Concord warehouse currently only stocks case quantities, and the Exel warehouse stores both case and sub-case quantities. Case quantities for individual brands are stored at one location or the other but not both. Sub-case quantities for brands that are stored in Cases at the Concord warehouse are stored at the Exel warehouse under the State's account. The Concord warehouse manages inventory levels on sub-case quantities using absolute levels of brands stored in this state account. The Concord warehouse tracks quantities of sub-cases at the Law warehouse based on absolute levels, replenishing back to the set absolute levels when items are depleted. Exel charges the state bailment transportation charges to pick up cases sent to the Exel warehouse from Concord. This process is in place due to limitations of the existing warehouse management system at the Concord warehouse, and a requirement of the replacement system has been created to be able to allow for sub-case quantities.</p>
Attachment I 2.3.4 Stocking and Inventory	<p>Amend the following language in Attachment I – 2.3.4 Stocking and Inventory Management to the following:</p> <p>Sub-case quantity orders (bottle-by-bottle) are currently ordered from the Exel warehouse automatically due to limitations in the Concord warehouse management system not being capable of handling sub-case quantities (as previously discussed in Section 2.2.4). All case quantities are ordered from either the Exel or Concord warehouses. Approximately twenty-five percent of brands are stored at the Concord warehouse and the remaining cases are stored at Exel.</p>
Attachment I 2.5.5 Transaction Processing	<p>Amend the following language in Attachment I – 2.5.5 Transaction Processing to the following:</p> <p>Transaction Processing is the recording of financial transactions of the Commission, specifically where the Commission sells product in retail stores and their warehouses. Transactions are recorded in MAPPER and some ancillary systems such as ICE, ACR and Exel Warehouse system. Transaction Processing encompasses the sale of a product, the recording of the transaction in the POS system and subsequently recording the transaction in the State's financial system. Transaction Processing is comprised of three sub-categories: General Ledger, Accounts Payable, and Accounts Receivable.</p>

Attachment I 3.1 Overview	<p>Amend the following language in Attachment I – 3.1 Overview to the following:</p> <p>The New Hampshire State Liquor Commission system architecture is primarily comprised of systems that were highly customized in-house; the core applications are 20-25 years old. This network of systems is geographically dispersed throughout three separate Concord-based facilities (50 Storrs Street, 27 Hazen Drive, and the Division of Enforcement's offices at 57 Regional Drive). There are also 77 retail store locations throughout the State of New Hampshire that are connected to both the Storrs Street and Hazen Drive facilities' networks. Lastly, NHSLC also interfaces with the Bow-based Exel system which is a separate inventory management system used in the privately owned, non-state run warehouse in Nashua. In order to maintain data integrity and open lines of communication, Exel and NHLSC have agreed to a synchronization schedule (Every half hour/hour on a 24/7 basis</p>
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